

OFFICE OF THE MAYOR

Suzette Cooke, Mayor 220 4th Avenue South Kent, WA 98032 Fax: 253-856-6700

PHONE: 253-856-5700

2016 State of the City Address Kent Mayor Suzette Cooke March 9, 2016 Kent Chamber of Commerce Membership Luncheon ShoWare Center

Once again, let's thank **Ciana Luna** for sharing her beautiful voice with us today. Ciana is a sophomore at Kent Meridian High School, and with the help of extra online courses and a packed class schedule, she's graduating <u>next</u> year – a year early! Her family has also joined us.

Welcome to my eleventh State of the City address. I feel fortunate to work with a city council committed to open, thoughtful deliberation on policies affecting people's quality of life. Please recognize:

- Kent City Council president Bill Boyce,
- Councilmember Dana Ralph,
- · Councilmember Jim Berrios, and
- Councilmember Brenda Fincher

Also, welcome King County Councilmember Dave Upthegrove.

Some of the City's leadership team is here today. I and the city council rely on them for their expertise. Among them is **Marty Fisher**, our new Human Resources Director. Marty brings nearly 20 years of leadership experience from some of the country's most recognized companies including Starbucks, Abercrombie & Fitch, T-Mobile, and most recently, BECU. The city has 15 job openings too. From day–camp counselors to police officers, details are at <u>KentWA.gov/jobs</u>.

Once again we are holding this luncheon at South King County's largest community gathering place, **ShoWare Center**.

Home to the **Seattle Thunderbirds** junior hockey team, the **Seattle Mist** women's football team, and as of this year, the **Tacoma Stars** semi-pro soccer team, this seven-year-old building again earned the #1 "Top Spot" ranking in the Pacific Northwest last year by *Venues Today* based on attendance from ticketed events.

And, according to Pollstar, a trade publication for the concert tour industry, ShoWare ranked **95**th in the United States and **181**st in the world for arenas of all sizes.

Perhaps even more important to many of you, last year's **220+ events** generated nearly **296,000 tickets** and over **414,000 guests**. That resulted in the arena's best financial year since opening in 2009. If you include the city's 5% admissions tax, ShoWare operations actually generated a **profit of \$120,519**!

Additionally, ShoWare patrons and activities add about \$23 million a year to the local economy.

Join with me in recognizing ShoWare general manager, **Tim Higgins**, and his staff.

When you arrived this morning, I hope you noticed the newest addition to the City's vehicle fleet. Our Parks and Recreation Department is taking its show on the road this summer, bringing fun and educational opportunities to kids and families at parks, playgrounds, day camps, apartment and mobile home complexes and neighborhoods.

Known as **HERO**, short for **Health**, **Exercise**, **and Recreation Outreach**, the van, loaded with recreational equipment, imaginative ideas, and healthy snacks, will stir up excitement and get kids involved in healthy and creative activities. Since most children do not have a means to come to a central location, we will take the activities to them. It's an investment in helping kids learn and experience positive choices.

Kent is also growing with opportunities for kids to learn about engineering and robotics. This January, I welcomed more than 1,200 kids from around the state to ShoWare Center where they tested their clever robots and mighty machines at the **FIRST Lego League and FIRST Tech Challenge State Championships.**

F-I-R-S-T translates to – **For Inspiration and Recognition of Science and Technology,** a non-profit public charity, with state headquarters right here in Kent. FIRST designs programs to motivate young people to pursue career opportunities in science, technology, engineering, and math. And they need more sponsors and volunteers to help them reach the hundreds of local students eager to learn robotics.

In a similar fashion, the Kent School District attracted over 4,200 people to its **10**th **Annual Tech Expo** held here at ShoWare – where students demonstrated how they use technology in the classroom.

So what will the lasting effect be for these students who immerse themselves in science and technology? Hopefully, not as Henry David Thoreau observed when he wrote about maintaining one's dreams and imagination. I quote: "The youth gets together his materials to build a bridge to the moon, or, perchance, a palace or temple on the earth, and, at length, the middle-aged man concludes to build a woodshed with them."

Oh, so practical.....but why should we settle for something less than our youthful inspirations? Why not aspire to them? Thankfully, some middle-aged men – like Jeff Bezos – continued to nurture their dreams.

Innovation beyond our dreams is happening right here – in Kent - and we can help our kids to be part of it! Take a look.... (Break for video)

While these rockets aren't launched in Washington, I am proud to say they are made here in Kent! **Blue Origin**, located less than a mile from here, employs 450 rocket

scientists and technicians, and has plans to hire 300 more. But you don't have to be a rocket scientist to get a great job in Kent.

Last month, **Amazon** announced they're **"shipping" 1,200 jobs to Kent** for their new fulfillment center. They are hiring employees to work alongside technologies, including Amazon robotics, with 12 miles of conveyor belts, in 2.2 million square feet of floor space. That's more than 47 football fields!

In attracting employees, Amazon's Career Choice program will pre-pay up to 95% of tuition for courses related to in-demand fields, regardless of whether the skills are relevant to a career at Amazon.

Also, in the spirit of being a good community partner, Amazon donated \$5,000 to support a new after-school robotics and engineering program at Kent's Neely-O'Brien Elementary School.

From the <u>first lunar rover developed at Boeing's Space Center</u> to the creation of next-generation rockets at <u>Blue Origin</u>, Kent's young people are in a prime position to continue our community's legacy of innovation.

Joining us today is someone integral to our students' educational preparation toward prosperous futures: **Dr. Calvin Watts,** Superintendent of the Kent School District.

And remember to vote in the Kent School District bond election by April 26.

We would like to think all children would be nurtured toward choices that provide financial security and personal satisfaction; that they would understand the link between high school graduation, skill training and higher education to their future level of independence – but we know that is not the case.

72 years ago, Anne Frank wrote that her father would say: "All children must look after their own upbringing." She went on to say "Parents can only give good advice or put them on the right paths, but the final forming of a person's character lies in their own hands."

That's where you come in. While each of us is responsible for our own actions, our decision making grows from experiences and the advice and actions of others around us. We know that a growing number of our youth need more help than their families and teachers can provide; whose lives would be enriched – and in some cases, extended – if we focused more attention on helping them make better choices.

Some of you currently dedicate personal time and/or resources to youth outside of public education.

Please stand – and keep standing – if you contribute time or money to:

- Kent Youth and Family Services
- Glover Empowerment Group
- Community Network Council
- Centro Rendu
- Mother Africa
- Community in Schools of Kent or other youth mentoring
- The YMCA or YWCA
- Religious youth groups

- Scouts, Campfire and other youth organizations
- Kent Little League, Kent Youth Soccer, Kent Community Center, and other sports and recreation
- M-Power, Rainier Youth Choir or other youth music groups
- Somali Youth and Family Club
- Kent Community Foundation

...and any other organization that directly serves youth.

You standing - are doing something - but we must do more - and engage others to get off the sidelines and join us. What's at stake? Our future.

As Robert F. Kennedy wrote in his forward to *Profiles in Courage*, "...in this world of ours none of us can afford to be lookers-on, the critics standing on the sidelines."

That is why I am announcing today the **Kent Youth Initiative**, and committing resources to help coordinate, leverage and expand existing services to help our youth succeed.

The **Center for Children & Youth Justice** convened the **Suburban King County Coordinating Council on Gangs** in 2011 to coordinate a comprehensive and collaborative strategic response to gang activity, and to develop safe and healthy communities. Police Chief Ken Thomas, Mike Heinisch of Kent Youth & Family Services, Kent School District leaders and I have represented Kent to create mechanisms to engage gang-related youth, or youth at risk of gang involvement, in social and economic opportunities.

With us today is **Anica Stieve**, the SKCCCG project manager.

We have contracted with the YMCA program called **Alive & Free**, an outreach effort that builds meaningful relationships with youth involved in gangs, violence and the juvenile justice system; and connects youth to people and services that help them stay alive and free. In 2015 they served 54 Kent youth ages 13 to 19.

David Lujano, a Kent resident and Alive & Free outreach supervisor, is with us today.

This month I have asked another program that is managed by the Suburban King County Coordinating Council on Gangs to expand into Kent. It is called **Youth LINC**: an acronym for Leadership Intervention & Change. In serving youth aged 14 to 21, LINC applies a multi-disciplinary team approach in creating individualized intervention plans with each client to meet specific needs and surmount barriers to success. Services often extend to the family.

Police Chief Thomas has agreed to use \$150,000 of our drug seizure funds to pay for Youth LINC. An additional \$25,000 will be invested in local grass roots efforts like GEM, whose volunteers mentor, nurture and hold accountable older male youth to succeed through high school.

But our efforts must be broader than being gang affiliated. Beginning in January, King County Housing Authority and the city convened stakeholders in Kent to develop an action plan addressing local needs to align with King County's voter approved initiative,

Best Start for Kids. Over 35 people representing 22 organizations have been participating weekly. Among the recommendations being considered are

- After school recreation activities for youth and families
- Youth leadership training
- Job readiness and career development opportunities

The **Kent Chamber of Commerce** should be at the table. Your career fairs have connected middle school students with thinking about skills needed for different trades and professions, and you've implemented a program for interns.

But I also want to hear directly from our youth. I will ask the Kent Youth Board, GEM, Kent Leadership Institute and School Leadership Councils to help convene a youth summit next fall to solicit ideas for improving our community for our youth.

As a city, we are committed to the well-being and safety of our youth – <u>all</u> of our youth. I look forward to bringing together our community partners to leverage resources by working with local businesses, and seeking funding at the county, state and federal levels, along with philanthropic support.

We often speak about Kent's place as the 4th largest manufacturing/distribution center in the country.

Businesses in the Kent Valley provide a huge economic engine – one that generates 1/8 of our state's entire Gross Domestic Product – that's \$49 billion annually.

In spite of our community's large contribution to the state's economy, at the local government level, we are struggling.

Our service-delivery model dates back to the 1960s when the American economy was booming, state sales-tax laws favored warehousing communities like ours, and tax-limiting initiatives were a couple decades away.

Kent's actual losses are closer to \$12 million each year since sales tax collection was changed to a destination-based model.

All three of these factors have changed, but the city's service-delivery model has not – it costs more each year to deliver the same level of services.

To be clear, it's not about government growing. The city's share of property tax collections – our largest revenue source – is limited to growth of 1% per year. When inflation is 3%, we could have a status quo budget every year, with no new programs, no new police officers, and still be under water. This is where the structural problem lies.

Some glaring examples follow:

Kent's parks system is aging and is in real need of re-investment. With input from our new Parks and Recreation Commission, we are updating our Parks and Open Space Plan. This plan takes a performance-based approach to addressing **\$60 million maintenance backlog.**

The future of Pine Tree Park is the first of more tough discussions to be held. It is a symptom of a much bigger problem as we deal with limited resources.

That fact is, the sale of Pine Tree Park was first approved by council committee in 2005 - before I, and most of the council were elected - because of its extremely limited access. The only vehicle access to the property is a private road. The 277th corridor and Pine Tree Elementary create further barriers.

Speaking of **backlogs**, we have similar challenges in with our sewer and water systems. We have maintenance needs of about \$11 million per year but the payments we all make on our utility bills only cover \$4 million.

The City maintains approximately 320 miles of roadway in Kent, with an annual maintenance need of approximately \$12 million per year, yet \$5 million remains unfunded. There is a \$250 million backlog of work to replace, upgrade, and maintain our aging roadways. After all, we are a 125-year-old city.

Details are available at **KentWA.gov/StreetMaintenance**.

Complicating financial matters is the fact that Kent relies heavily on **state-shared revenues**, and the State Legislature is poised to take millions of dollars from cities to balance the state's budget shortfall.

Kent's top priority again for this legislative session is protection of these state-shared revenues. Specifically, Streamlined Sales Tax payments, liquor revenues, and criminal justice assistance funds comprise a total annual impact of nearly \$10 million.

This is one reason why the City Council and I look forward to the report from the **Financial Sustainability Task Force** we appointed last year. After a year's work, this group of volunteers will recommend what the city's service-delivery model should look like in the future. It simply cannot look the same. They'll present a draft May 3 for us to review and **a final report by June 30.**

I thank Kent's legislative delegation for their continuous support and effort in retaining local dollars. Additionally, our legislators have been a huge support for Kent projects.

During the last session, we received \$2 million in funding for pre-construction work toward an **East Hill YMCA**. There is a long way to go on this private fundraising effort, but the support is there to see it through.

New projects to help traffic flow include \$15 million in state funding for the S. 228th/Union Pacific grade separation project, as it ties into the regionally significant SR 509 freeway extension.

You'll also see construction begin this year on the **S. 224th Street Extension,** providing another route over SR 167 between the valley and the East Hill. With these projects linked together you'll be able to travel seamlessly from the Benson Highway to I-5 and SR 509.

Speaking of trains, proposed plans to make downtown a bit quieter are on track with **wayside horns at rail crossings**. With over 60 trains a day going through downtown, one can only imagine the difference it would make.

We expect to hear a proposal this spring on what it might cost, and the options we have to pay for it. We're anticipating \$2 million, and may consider a Local Improvement District as a potential funding source.

The new residents at **Dwell at Kent Station** may very much appreciate the quieter zone. After the market was sparked by the success of the Platform, 150 new units are ready for leasing now with the grand opening planned this May.

These new downtown residents will also benefit from our **Meet Me on Meeker** project, an effort to develop Meeker Street into a vibrant urban corridor.

We're working with the urban design firm, KPG, to imagine what's possible and we'll engage with those of you that live and work along Meeker as we move forward. We anticipate some changes to Meeker Street this year and will fulfill the vision, in partnership with developers and regional funding agencies, in the years to follow.

Projects like cleaning and lighting up the **SR 167 underpass on W Meeker St.** will connect and extend our downtown towards the riverfront. Randall Smith's All Pro Building Maintenance did the power washing and KDP is helping pay for artistic lighting that will add interest and safety.

While we were disappointed the FAA didn't choose Kent, we moved on and hired Jones Lange LaSalle to serve as our broker for the **Riverbend Gateway property**, currently known as our Par 3 Golf Course.

We intend to work with a development partner who shares our vision for an iconic mixed-use development that brings energy to West Meeker and embraces the public spaces around it.

Five prominent development teams have formally expressed interest in purchasing the property. An advisory team of residents, councilmembers and staff will "short-list" that group to two or three, with a purchase secured by June.

While our minds are on Riverbend, we're excited about is the opening of **The Scotch and Vine,** the new restaurant at our Riverbend Golf Complex.

With plans to open May 1, the Kent City Council last week approved a five-year renewable lease. Owners Jill and David Pritchard will continue operating their successful restaurant in Des Moines, while they help us generate revenue for the golf course. The Scotch and Vine will add 30-40 employees.

Another eatery is moving its manufacturing from Seattle to Kent late this summer - **Macrina Bakery**, a supplier to numerous restaurants, markets and hotels. They bring 150 employees. **Macrina** started in Seattle in 1993 and operates three upscale cafes. Their fourth will also be in Kent.

Moving up the West Hill along Veteran's Drive, you can see the **Grandview Apartments** taking shape. It is the first major project to be constructed as part of

our Envision Midway plan, and will provide high quality, affordable workforce and family housing that will set the standard for future projects in the Midway area.

The 261 apartments will be located in 14 contemporary, northwest style buildings that have been designed by the notable Seattle architecture firm GGLO. Grandview will likely open mid-2017.

These new residents and others on the West Hill will enjoy shopping at a new **Grocery Outlet** store on Pacific Highway when it opens this summer. Located at the former Albertson's store in Woodmont Plaza, Grocery Outlet will be the development's anchor tenant and bring approximately 50 employees.

Pacific Highway 99 medians have been a hot topic for West Hill residents and businesses. By later this year you will see bright greeneries.

What will you be doing in 2023? One thing you could do is catch a ride on light rail from the new Kent-Des Moines station on West Hill! **Sound Transit's Link light rail** will extend to Kent with a station planned east of Hwy 99 off of 30th Ave. S. By then, we'll able to connect beyond Seattle to Lynnwood, the University of Washington and Redmond.

In addition to light rail, Kent will be served by **four additional Sounder trips** this year and next, and before 2023, we'll also see **another parking garage** at the Sounder station.

From elevated rails to elevated levees, let's move on to the Green River.

The work on the **Briscoe Desimone Levee** needed in order to certify it is nearly complete. The final structural work will be finished in the spring.

The work on the **Upper Russell Road Levee** along The Lakes communities is also about 85% done. It's on track to be finished this summer.

We are working with the King County Flood Control District on planning and design of two more levee projects:

The **Milwaukee II Levee** just downstream of Horseshoe Bend, is funded by the Flood Control District and is moving ahead with planning.

The **Lower Russell Road project**, which is a \$40M+ rebuilding of the levee from the Joe Jackson Bridge to S. 212th Street, is a complex project involving all the facets along the river – flood protection, recreation, salmon habitat and private development. It is under design.

We've just weathered the wettest winter on record, yet areas stayed dry where years ago we would have seen significant flooding. Although **James Street flooded at the bottom of the hill**, we are addressing the issue by replacing the James Street Pump Station along with other key projects on Mill Creek.

To complement the new **sidewalks on James Street hill,** colorful shrubs will be planted this spring.

We'll also complete our **remodel of Central Avenue South** later this spring, including an upgraded water main and sewer lines. Later this year, we'll partner with adjacent property owners to add trees and landscaping.

A flurry of new investment is happening on the East Hill.

Adjacent to Trader Joe's, Café Rio, The Pie Lab, JP's Taproom, and Habit Burger opened last year at the newly renovated **Marketplace at Lake Meridian Retail Center**. The Marketplace went from an occupancy rate of 38% to 94% thanks to reinvestment.

Further west off of Kent Kangley Road, just north of Target, Sam Virk is realizing a dream with the opening of the **Kent International Plaza.**

With 14 new businesses and improved interiors and facades, Sam is helping many immigrants build prosperity here. There's a butcher shop, a ballroom people can rent, a boutique that sells custom saris, a Hindu astrologer and an Indian grocery store...all of these services are aimed primarily at Kent's South Asian community.

Another perennial topic is **public safety**. But before I get to the improved statistics on Kent's crime rate, I am so pleased about the Council's passing a **ban on fireworks!**

Banning fireworks was the first requests I made of the council when I was elected 10 years ago. Since then, nothing, with the exception of snow plowing during winter storms, has generated so many calls to my office.

From people with scared pets, homeowners afraid to leave their property, or veterans with post-traumatic stress disorders, it's been a highly emotional issue.

Last November's advisory measure, where over 66% voted to ban them, gave Council the backing we needed to finally get it done.

Due to state law, there is a one-year waiting period before it becomes effective. For those of you hoping for relief this summer, you will have to wait until July 2017. Rest assured, public fireworks displays like those at our Fourth of July Splash at Lake Meridian will still go on with the proper permits.

Speaking of police, Intelligence Led Policing is working!

- The overall crime rate since 2006 has reduced by 66%!
- The number of stolen cars has been reduced by 49%.
- Robberies decreased for the fifth year in a row, with a 35% decrease since 2011.
- Residential burglaries have decreased for the fourth year in a row, with a 48% decrease since 2012.
- Commercial burglaries are 33% lower than they were in 2006.

And we're making good use of Kent inmates' time, too! Last year, supervised work crews performed 31,185 hours of work throughout our community.

They assisted the Senior Center, Tahoma National Cemetery, Kent and Auburn Food Banks and the Kent Police Department with car wash and garbage detail. They also helped with litter pickup, graffiti removal and homeless camp cleanup and removal.

We're fortunate our police are so effective, especially with **166 employees cramped** into a space meant to house **85 people**.

The number one priority of the police department is to keep our community safe. Unfortunately, voters didn't agree adequate space would help them increase their effectiveness.

In response, the City Council authorized a **Facilities Efficiency Study**.

We are exploring more than moving walls and doorways. We intend to reimagine all of our office interiors to be similar to the Class A office type experienced in the Centennial Building.

How do we pay for it? That is yet to be determined, but there are several options we're exploring. One is a significantly less expensive ballot measure.

Volunteers are taking me up on my consistent mayoral theme – "This is your city."

Last year 1,893 volunteers contributed 5,118 hours, to maintain and improve Kent's parks! Their time alone was worth \$87,121 should the City have paid for it! As wonderful as their commitment and time is, it's not enough. You recall the earlier reference to the \$60 million Parks maintenance backlog.

That's why your engagement and involvement in our decision-making is so important.

Since launching in 2006, **29 neighborhood councils** have formed and are engaging with the city in ways we've never seen before. They've completed dozens of beautification projects, they've created tourism attractions with historic home and downtown tours, they're doing cleanup projects, and they're running for office and serving on Kent's many boards and commissions. More importantly, they're talking with each other, and with us.

Of the 50,000 households in Kent, nearly 10,000 of them are within recognized neighborhood council boundaries. We are always looking to add more neighborhoods. These individuals are a direct link to city government and making Kent's outreach more effective.

We talk a lot about Kent's cultural diversity....but what does it really mean? It means our residents have a cultural fluency and a worldwide perspective so critical in today's global economy.

In an effort to help us walk the talk is last week's announcement that we're looking for individuals to join a new **Cultural Communities Board**. We know we're not reaching some hard-to-reach communities, and we're looking for guidance on how we can be more inclusive.

Our hope is the new board will help increase engagement, integration, and access to city services for all cultural communities in Kent.

The application process is open now...get all the details at KentWA.gov/CCB.

Folks, this is your city - Kent, Washington: Bringing the World Home.

Thank you for joining me today.